

Ms. Bonnie McCullough
Air Pollution Standards Officer
Colusa County Air Pollution Control District
100 Sunrise Blvd.
Suite F
Colusa, CA 95932

Dear Ms. McCullough,

Thank you for the opportunity to comment on the proposed Title V operating permit for the Pacific Gas and Electric Delevan Compressor Station located in your air pollution control district. Based on our review of the proposed permit and the supporting information, EPA formally objects, pursuant to our authority under section 505(b) of the Clean Air Act (“Act”) and 40 CFR § 70.8(c), to the issuance of the proposed permit on the basis that it is not in compliance with all of the requirements that are applicable to the source under the Act, including the requirements of the State Implementation Plan (“SIP”). Specifically, the emission limits contained in the District’s 1993 Authority to Construct permit are not included as conditions in the proposed Title V permit. This letter will provide EPA’s comments on the proposed permit and will explain the basis for our objection.

Under 40 CFR §70.8(c), EPA may object to a proposed Part 70 permit which is determined not to be in compliance with applicable requirements, or fails to meet the requirements of Part 70. After EPA objects to a permit, the permitting authority has 90 days to satisfy the objection. If the 90 day period expires without the basis for the objection being fully corrected, section 505(c) of the Clean Air Act and 40 CFR §70.8(c)(4) require that the authority to issue or deny the permit pass to EPA. Because the objection issues must be fully corrected within the 90 days, we suggest that revised permits be submitted in advance in order that any outstanding issues can be addressed prior to the expiration of the 90 day period.

Federal regulations that implement the Title V permitting program (40 CFR Part 70) list the required content of Title V operating permits. At 40 CFR Part 70.1(b), it states that “[a]ll sources subject to these regulations shall have a permit to operate that assures compliance by the source with *all applicable requirements*” (emphasis added). In section 70.2, “applicable requirement” is defined to include, among other things, “(2) [a]ny term or condition of any preconstruction permits issued pursuant to regulations approved or promulgated through rulemaking under Title I, including parts C or D, of the Act.” Furthermore, EPA’s “White Paper for Streamlined Development of Part 70 Permit Applications” (July 10, 1995) includes guidance on the incorporation of the terms and conditions of previously issued new source review (“NSR”)

preconstruction permits into Title V permits. The paper states that:

“As used here, ‘new source review’ refers to all forms of preconstruction permitting under programs approved into the SIP, including minor and major NSR (e.g., prevention of significant deterioration). Section 70.2 defines any term or condition of a NSR program as being an applicable requirement.”

Since the District has a SIP-approved permitting rule (Rule 2.4), conditions contained in any authority to construct permits issued by the District are, for the purposes of Title V, *applicable requirements*. In addition, the District’s own Title V rule (Rule 3.17), which was approved by EPA (60 FR 21720; May 3, 1995), contains a definition of applicable federal requirements and lists permit content requirements consistent with Part 70 requirements. Therefore, the authority to construct conditions must be included in the proposed Title V permit.

Specifically, emission limits contained in Condition (o) from the 1993 Authority to Construct permit must be included in the Title V permit. These limits restrict emissions from the Solar Mars turbine to maximums of: 30 ppmv of NO_x, 250 lbs/day and 40 tons/year of NO_x, 20 lbs/day and 4 tons/year of ROC, 5 lbs/day and 1 ton/year of SO_x, 32 lbs/day and 6 tons/year of PM, and 500 lbs/day and 92 tons/year of CO. Furthermore, the averaging times contained in Condition (p) of the Authority to Construct permit must also be carried over into the Title V permit.

Other Issues

As EPA discussed with the District over the phone, there are other issues regarding this proposed Title V permit that must also be addressed prior to issuance.

- 1) Condition 6 relates to a requirement pursuant to 40 CFR Part 63, Subpart T. This requirement does not apply to the source. However, EPA understands the District’s approach in including a condition that the District be notified should the source plan to use halogenated solvents in its cold cleaning solvent degreaser. The District has conveyed its intention to re-open the permit should such a notification be made.
- 2) Condition 25 specifies test methods for assuring compliance with the sulfur content limit of Condition 9 (pursuant to NSPS requirements). EPA is satisfied that the requirement to use CPUC regulated natural gas will assure compliance with Condition 9. However, to be complete, some frequency should be included on Condition 25 with respect to testing. “Upon District request” is sufficient provided the source is required to keep records of the type of fuel consumed. (That is, keep records to assure compliance that CPUC regulated gas only is consumed.)
- 3) The NSPS requirements contained in the proposed permit conditions contain record keeping and reporting requirements. However, Condition 21 specifies that the source test data and information be submitted to the District. Condition 28 specifies that excess emissions and monitoring systems performance reports be submitted to the Administrator (i.e., EPA). The reporting required by the NSPS must be submitted to both the District and the EPA, as required

by 40 CFR §60.4. These conditions must be revised to require submission of reports to both the EPA and the District.

In order to satisfy this objection, the conditions contained in the authority to construct permit must be carried over into the Title V permit. Also, EPA's additional comments, listed above, must be addressed.

I would like to thank you and your staff for all your help in providing information to aid our review and in discussing these issues with us. We are committed to working with you to resolve these issues. If you have any questions concerning our comments, please contact Matt Haber at (415) 744-1254.

Sincerely,

David P. Howekamp
Director
Air Division

cc: Ray Menebroker, ARB